

FAYETTE COUNTY COMMISSION
SPECIAL SESSION
February 5, 2016
COURTHOUSE

FAYETTEVILLE, WV 25840

MEMBERS Present: Matthew D. Wender, John H. Lopez, Denise A. Scalph

The Fayette County Commission met in a special session on this 5th day of February, 2016.

President Wender called the meeting to order at 9:09 a.m.

Commissioner Lopez motioned to approve vouchers and invoices and release checks today. Commissioner Scalph seconded. Unanimous decision.

Debbie Berry, County Administrator, presented a letter from EnAct to reappoint Judson Wallace to their board. Commissioner Lopez motioned to reappoint Judson Wallace to the EnAct board. Commissioner Scalph seconded. Unanimous decision.

Ms. Berry presented letters for signature of the Commissioners to elected officials and department heads, requesting each to submit their budget proposals prior to March 1, 2016 and to schedule a time for discussion on Friday March 4, 2016. Commissioner Lopez motioned to approve the letters. Commissioner Scalph seconded. Unanimous decision.

Ms. Berry presented the Fayette County Fire Association rental agreement for President Wender to sign. The agreement was approved in a previous meeting.

The Commission held a discussion regarding Wolf Creek PSD. President Wender requested finding out how a PSD is started. President Wender will speak with some interested people and tell them

we have a file available for review. A petition would have to be presented to the Commission to start the process.

Ms. Berry presented an order to Combine or Divide and Segregate land for Arbradella Minter. Commissioner Lopez motioned to approve the order. Commissioner Scalp seconded. Unanimous decision.

The Commission reconvened as the Board of Equalization and Review at 9:54 a.m. to hear mineral property cases.

Doug McKenzie with Walter Energy and Phillip Wriston of Imperial Colliery and Eagle Land appeared along with Chris Farmer and Pam Kordusky from the State Tax Office. All involved took oaths.

Doug McKenzie, Walter Energy, stated that the coal reserves are nonexistent on 2 of the properties:

10-01-9999-0621-6178

10-01-9999-0602-5749

Mr. McKenzie contends there is not any coal in the Beckley seam. Last fall, the State changed the classification from T-20 to T-40.

10-01-9999-0900-2986

This land is classified as T-40. Mr. McKenzie contends it has less than 30 inches. The State shows more than 30 inches. Mr. McKenzie contends they are using the wrong modeling and asked that they rerun the modeling. Requests zero value on all properties.

Phillip Wriston, Imperial Colliery, presented 6 managed timberland properties:

03-0017-0002

01-0017-0044

01-0017-0045

01-0024-0021

01-0024-0028

Mr. Wriston stated that the values were previously spread between T-1, T-2 and T-3 but this year, 99% of Timberland Properties are incorrectly labeled T-1. Adjoining properties are still split between T-1, T-2 and T-3. Asking for continuity and fairness.

Mr. Wriston, Eagle Land, presented 03-0072-0001. The state shows over 400 acres of minable land on the map. Mr. Wriston contends there is only 100 acres. The land is classified T-40 for coal.

President Wender excuses the state to discuss with the petitioners. The States said that they did not need to meet with Mr. McKenzie and would like to discuss before recessing.

Mr. Farmer first discussed the property 10-01-9999-0621-6178 - 79 acres at Laurel Creek. The State lowered the value last year for \$27,048.00 to \$2,705.00; T-20 to T-40. The State will not go any lower. Contends there is in fact coal there and drill holes from surrounding properties show there is more than 30 inches. T-40 is the correct assessment. Mr. McKenzie acknowledges that the property is already at T-40 but does not agree.

Mr. Farmer discussed 10-01-9999-0602-5749 - 596 acres at Laurel Creek. This is the same situation as 6178. The State lowered the value from around \$30,000.00 to \$6,346.00. Mr. Farmer stated that the drill holes are from the edges of the properties and are not good samples. T-40 is the correct assessment. Mr. McKenzie acknowledges that the property is already at T-40 but does not agree.

Mr. Farmer presented 10-01-9999-0900-2986 - 160.3 acres at Horseshoe/Sewell. The State contends it is and always has been classified as T-40 with a total coal value of \$4,400.00. This is as low as the State will go; suggests no change. Mr. McKenzie contends

it was previously valued as T-20 and was reduced but would like it at zero value. T-40 is the correct assessment. Mr. McKenzie acknowledges that the property is already at T-40 but does not agree.

The Commission recessed as the Board of Equalization and Review at 10:16 a.m. so the State could deliberate with Eagle Land and Imperial Colliery.

The Commission discussed the budget.

The Commission reconvened as Board of Equalization and Review at 11:06 a.m.

The State gave a report of Phillip Wriston, Eagle Land. The State's geologist erroneously put the value on coal that was mined in 2014. 250 acres should have been left out. 56 acres were added as reserves classified as T-20. \$2,673,735 appraised value was a mistake on the State's part. \$245,856.00 is the new appraised value.

The State then addressed the Phillip Wriston, Imperial Colliery. State Tax Attorney Timothy Waggoner stated that managed timberland is not viewed as fair market value. He believes the County Commission does not have the authority to change timberland values.

Pam Kordusky, State Tax Department, did not receive a report from Imperial Colliery for 2015 for managed timberland, so the system rolled over for Tax Year 2016. She sent it to the GIS department and they returned what the values should be based on a study of soil grades from WVU. If they had filed their report on time, they would have used the county average as in previous years. The actual soil grade from the WVU survey was better than the county average and increased the value. Last year, land was spread out as T-1, T-2 and T-3. This year, due to the mapping department findings from the WVU study, it is now 99% T-1 and 1% T-2. This is because Imperial did not

file on time in 2015 and values were no longer pulled from the county average.

Jack Booda, Imperial, asked in all fairness, to spread out in Fayette County. They are not arguing value, they just want fairness.

19 properties are still unmapped and Imperial is asking those to be mapped.

Eddie Young asked if the new soil grades researched by WVU could be used for all but 19 properties. The State said yes.

President Wender asked if the Commission could contest the values of the remaining 19 properties and ask WVU to complete soil grades. Research needs to be done to answer what the Commission can do.

President Wender asked if the state could review the 19 properties. The State will check and the Commission will send a formal request by letter.

The Commission recessed as the Board of Equalization and Review at 11:32 a.m. until February 10th at 9:00 a.m.

The Commission will review these requests and a decision will be made by February 24th.

The meeting was adjourned at 11:42 a.m.